

EXPRESS TERMS
Title 13, Article 3.7, Sections 230.00 through 230.30
Lien Sales

§230.00. DEFINITIONS

- (a) For purposes of this article, a person having an interest in the vehicle includes but is not limited to any of the following:
- (1) Anyone whose name appears on the lienholder's work order for vehicle repairs, such as a person other than the owner who delivered the car for repairs, or a person other than the owner who is listed as contact person on the work order.
 - (2) Anyone not appearing on department records as the legal or registered owner of record but who is known by the lienholder to be an owner or transferee of the vehicle.
 - (3) Anyone listed as the latest owner of the vehicle on a Notice of Release of Liability filed with the department, but who does not appear as the registered or legal owner on department records.
- (b) Authorized representative—A person employed by a company and authorized to sign for the company on department forms.

NOTE: Authority cited: Vehicle Code Section 1651; and Civil Code Section 3072. Reference: Vehicle Code Sections 22851.3, 22851.4, 22851.8, and 22851.10; Civil Code Section 3072.

§230.05. Notification of Intended Disposal of Vehicle Valued at \$300 or Less Which was Removed by a Public Agency for Reasons Other Than Abandonment.

- (a) When the lienholder intends to dispose of a vehicle valued at \$300 or less, the lienholder shall apply to the department for the names and addresses of all persons having an interest in the vehicle within 15 working days following the date of possession of the vehicle.
- (1) If the lienholder is a preapproved requester, as defined in Section 350.02, subdivision (n), of these regulations, the request for information shall be submitted to the department in accordance with Section 350.28, subdivision (a)(1), of these regulations.
 - (2) If the lienholder is a casual (nonpreapproved) requester, as defined in Section 350.02, subdivision (c), of these regulations, the lienholder shall complete the Registration Information Request for Lien Sale [form INF 1126 (REV. 12/2000)] and submit the form to any local field office or mail it to the address indicated on the form.
 - (3) If the vehicle identification number is not on the vehicle, the lienholder shall arrange for a vehicle inspection in order to verify the vehicle identification number or request the California Highway Patrol to assign a vehicle identification number prior to submitting the request to obtain the name and address information required by this section.
 - (A) No storage charge may accrue beyond the 15-day period unless the lienholder has made a request to the department pursuant to Vehicle Code Section 22851.8.

- (b) Upon receipt of the information requested pursuant to subdivision (a), the lienholder shall immediately send to the registered owner(s), legal owner(s), and any other interested party(ies), a Notice of Intent to Dispose of Vehicle Valued \$300 or Less Removed by a Public Agency for Reasons Other than Abandonment [form REG 684 (REV. 5/2001)], a blank Declaration of Opposition and a return envelope preaddressed to the lienholder.
- (c) The lienholder shall send the Notice of Intent to Dispose of Vehicle Valued \$300 or Less Removed by a Public Agency for Reasons Other than Abandonment to the registered owner(s), the legal owner(s), and any other interested party(ies) to the addresses provided by the department at least 15 days prior to the intended date of disposal. If the department has no record of the vehicle and cannot furnish information on the legal or registered owners, the lienholder shall send the notice only to the department and any known interested party.
- (1) The written notices to the registered and legal owners and interested parties shall be sent by certified mail with return receipt requested, U.S. Postal Service Certificate of Mailing, or an alternative method of mailing which provides a control number and evidence of mailing and receipt. Examples of acceptable alternative methods of mailing include registered mail, Federal Express, and Express Mail.
- (2) If the lienholder has knowledge of an address which is different from the address furnished by the department for the legal or registered owner(s) or any other interested party(ies), the lienholder shall send notices to both the address furnished by the department and the alternate address.
- (d) The notice shall contain the following:
- (1) A statement informing the registered owner(s), legal owner(s), and any other interested party(ies) that the lienholder intends to dispose of the vehicle to a licensed dismantler or a scrap iron processor.
- (2) A statement which describes the actions available to the registered owner(s), legal owner(s), and any other interested party(ies) to prevent the disposal of the vehicle, which shall include:
- (A) Paying the bill and reclaiming the vehicle within 10 calendar days of the date the notice was mailed.
- (B) Stopping the action by completing the Declaration of Opposition contained in the notice and returning it to the lienholder postmarked within 10 calendar days from the date the notice was mailed.
- (C) Allowing the sale to proceed by disregarding the notice if the party did not have an interest in the vehicle at the time it was removed by a public agency. If a notice is disregarded, the lienholder shall be permitted to contact the last owner of record who may be held liable for the costs of removal and disposition of the vehicle unless the last owner of record filed a Release of Liability with the department.
- (3) The vehicle description shall include:
- (A) The vehicle license plate number, if known.
- (B) The state where the vehicle was last registered, if known.
- (C) The license expiration date, if known.
- (D) The vehicle identification number.

- (E) The make, year, and model type of the vehicle.
- (F) The engine number if the vehicle is a motorcycle.
- (4) Information regarding the lien and the proposed disposal shall include:
 - (A) The date the vehicle came into possession of the lienholder.
 - (B) The date the notice is mailed.
 - (C) The date of the proposed disposal.
 - (D) The amount and basis for the lien, as determined by the storage costs to date, the daily rate for storage, the cost of towing, the amount of parking violations and the costs to process the disposal of the vehicle, shall not exceed \$70. The amount of the lien shall be subject to the limitations specified in Vehicle Code Sections 22851 and 22851.8.
- (5) A certification by the lienholder or the lienholder's agent which shall include:
 - (A) A statement under penalty of perjury under the laws of the State of California that the information on the notice is true and correct and that the lien is valid, the amount claimed for the lien is within statutory limitations, and the lienholder has no information or belief that there is a valid defense to the claim which gives rise to the lien.
 - (B) The date the notice is completed.
 - (C) The signature of the lienholder or the agent acting for the lienholder.
 - (D) The lienholder's name, telephone number, and address.
 - (E) The name of the agent acting for the lienholder, if applicable, the agent's telephone number, the registration service license number, if the agent is a registration service, as defined in Vehicle Code Section 505.2, and the agent's address.
 - (F) When a company signature is used, it shall be countersigned or initialed by an authorized representative of the company.
 - (G) The name(s) and address(es) of the registered owner(s), legal owner(s), and any other interested party(ies).
 - (H) A blank Declaration of Opposition for use by the recipient of the notice to oppose the sale.

NOTE: Authority cited: Vehicle Code Section 1651. Reference: Vehicle Code Sections 22851, 22851.8, 22851.10 and 22851.12; Civil Code Section 3074.

§230.10. Opportunity to Oppose Disposal of Vehicle Valued at \$300 or Less.

- (a) If a recipient of the Notice of Intent to Dispose of Vehicle Valued \$300 or Less Removed by a Public Agency for Reasons Other than Abandonment wishes to stop the lien sale, the recipient shall sign the Declaration of Opposition form and return the signed form to the lienholder postmarked within 10 days of the date the notice was mailed.
- (b) When the lienholder receives the completed Declaration of Opposition within the time prescribed, the vehicle shall not be disposed of unless either of the following occur:
 - (1) The lienholder files an action in court within 20 days of the date the notice was mailed and a judgment is awarded to the lienholder.
 - (A) If the judgment is not paid within 5 days, the lienholder may dispose of the vehicle through a dismantler or scrap iron processor.

- (2) The declarant releases his or her interest in the vehicle.

NOTE: Authority cited: Vehicle Code Section 1651. Reference: Vehicle Code Section 22851.8.

**§230.15. Statement of Facts Regarding Disposal of Nonabandoned Vehicles
Valued at \$300 or Less.**

- (a) The lienholder shall complete the Statement of Facts for Vehicles Removed by a Public Agency for Reasons Other Than Abandonment [form REG 686 (REV. 11/97)], after the disposal of the vehicle, containing the following information:
- (1) The name, business address and telephone number of the lienholder.
 - (2) The vehicle license plate number, make of vehicle, vehicle identification number and the engine number if the vehicle is a motorcycle.
 - (3) The lienholder's authority to dispose of the vehicle.
 - (A) A properly executed Declaration of Opposition was not received.
 - (B) The department authorized disposition after a Declaration of Opposition was received and service could not be effected on the person opposing the sale and the lienholder presented satisfactory evidence to the department of an attempted service.
 - (C) No vehicle record exists and there are no known interested parties.
 - (D) A court ordered judgment was entered in the lienholder's favor.
 - (E) A Release of Interest from the person opposing the disposal was obtained.
 - (4) An indication that the vehicle was disposed to a licensed dismantler or scrap iron processor.
 - (5) The name, address, and telephone number of the dismantler or processor that disposed of the vehicle.
 - (6) The amount the lienholder received for the vehicle.
 - (7) The name, address, and telephone number of the lienholder or the agent acting for the lienholder.
 - (A) If the agent acting for the lienholder is a registration service as defined in Vehicle Code Section 505.2, the agent's registration service license number shall be entered.
 - (B) When a company signature is used, it shall be countersigned or initialed by an authorized representative of the company.
 - (8) A certification signed by the lienholder under penalty of perjury under the laws of the State of California that the information on the document is true and correct.
- (b) The lienholder shall forward the following documents with the statement of facts described in (a) to the dismantler or scrap iron processor within 5 days of the transfer of the vehicle to the dismantler or scrap iron processor:
- (1) A copy of the notice sent to all parties with postal receipts attached.
 - (2) The impound report from the public agency that ordered the removal of the vehicle.
 - (3) Proof of service on the person who opposed the disposal, if service was effected.
 - (4) A certified copy, or a photocopy of the certified copy, of the court judgment entered in the lienholder's favor, if applicable.
 - (5) A Release of Interest bearing the original signature of the person who opposed the disposal, if applicable.

- (6) The authorization obtained from the department to continue with the disposal process following unsuccessful service on the person who opposed the disposal, if applicable.

NOTE: Authority cited: Vehicle Code Section 1651. Reference: Vehicle Code Section 22851.10.

§230.20. Notice of Intent to Dispose of Abandoned Vehicle Valued at \$300 or Less Which was Removed by a Public Agency.

- (a) Pursuant to Vehicle Code Section 22851.3, subdivision (c), when requested by the public agency, the lienholder shall obtain a copy of the names and addresses of all persons having an interest in the vehicle, if any, from the department either directly or by use of the California Law Enforcement Telecommunications System.
- (1) The lienholder shall not be required to obtain a copy of the actual record on file with the department.
- (2) If the information is obtained directly from the department, the procedures in Section 215.05 of these regulations shall apply.
- (b) When requested by the public agency, the lienholder shall complete the Notice of Intent to Dispose of an Abandoned Vehicle Valued at \$300 or Less [form REG 684 (REV. 7/2001)].
- (1) The notice shall be sent to the legal and registered owners at their address of record with the department, and to any known interested party. If the lienholder has knowledge of an address which is different from the address furnished by the department, the lienholder shall send notice to both the address furnished by the department and the alternate address.
- (2) The notice shall be sent no later than 48 hours after the date the vehicle was removed, excluding weekends and holidays.
- (3) The notice shall be sent by certified mail.
- (c) The Notice of Intent to Dispose of an Abandoned Vehicle Valued at \$300 or Less shall include the following information:
- (1) The vehicle year, model, make, license plate number, vehicle identification number, state where the vehicle was last registered, mileage, and the engine number, if the vehicle is a motorcycle.
- (2) A statement indicating a notice was provided to the recipient that the vehicle was removed pursuant to Vehicle Code Section 22669 from public streets at the order of a public agency.
- (3) The name, address, and telephone number of the public agency which ordered the removal.
- (4) The name, address, and telephone number of the site where the vehicle is stored.
- (5) A statement that the lienholder intends to dispose of the vehicle to a licensed dismantler or a scrap iron processor 15 calendar days from the date of the notice unless the recipient takes either of the following actions:
- (A) Pays the bill as indicated by the amounts entered for towing, storage based on a specified daily rate, and other specified charges, and reclaims the vehicle no later than 15 calendar days from the date of the notice.
- (B) Stops the action to dispose of the vehicle by requesting, no later than 10 calendar days from the date of the notice, in writing or by telephone, a hearing before the public agency that ordered the removal.

- (6) A statement that the notice may be disregarded if the recipient is not interested in the vehicle and the vehicle will be disposed of.
- (7) A certification by the lienholder or the lienholder's agent which shall include:
 - (A) A statement under penalty of perjury under the laws of the State of California that the information on the notice is true and correct and that the lienholder has no information or belief that there is a valid defense to the claim which gives rise to the lien.
 - (B) The date the notice is completed.
 - (C) The signature of the lienholder or the agent acting for the lienholder.
 - (D) The lienholder's name, telephone number, and address.
 - (E) The name of the agent acting for the lienholder, if applicable, the agent's telephone number and address, and the agent's registration service license number if the agent is a registration service as defined in Vehicle Code Section 505.2.
 - (F) When a company signature is used, it shall be countersigned or initialed by an authorized representative of the company.
- (d) If a request for a hearing is not received within 10 days from the date of the notice, the lienholder shall complete the Statement of Facts for Abandoned Vehicles Valued at \$300 or Less [form REG 686 (REV. 7/2001)].
- (e) The Statement of Facts for Abandoned Vehicles Valued at \$300 or Less shall include the following information:
 - (1) The lienholder's name, business address, and telephone number.
 - (2) A statement by the person(s) signing the form that the vehicle described by the vehicle identification number, vehicle plate license number, and the make of the vehicle was towed in accordance with Vehicle Code Section 22669 on the specified date and the name, address and telephone number of the public agency.
 - (3) The names addresses and telephone numbers of the parties to whom notification was mailed, the dates the notices were mailed, and the name of the person mailing the notices.
 - (4) An indication that the notices were mailed by certified mail and the receipt numbers.
 - (5) An indication that the department printout or California Law Enforcement Telecommunications System printout is attached or, if the printout is not attached, that the persons notified were identified from the department's records or from information provided by the public agency.
 - (6) The lienholder's name, address, and telephone number.
 - (7) The name of the agent acting for the lienholder, if applicable, the agent's telephone number, the registration service license number if the agent is a registration service as defined in Vehicle Code Section 505.2, and the agent's address.
 - (8) A certification by the lienholder which shall include:
 - (A) A statement under penalty of perjury under the laws of the State of California that the information on the document is true and correct.
 - (B) The date the document is signed.
 - (C) The lienholder's signature and telephone number.

(D) When a company signature is used, it shall be countersigned or initialed by an authorized representative of the company.

NOTE: Vehicle Code Section 1651. Reference: Vehicle Code Section 22851.3.

§230.25. Disposal of Abandoned Vehicles Valued at \$300 or Less to Dismantler or Scrap Iron Processor.

- (a) Except as specified in subsection (b), when the vehicle remains unclaimed after fifteen days from the notification date, the towing and storage fees were not paid, and no request for a hearing was made or the hearing was not attended, the lienholder shall obtain the Public Agency Authorization to Dispose of a Vehicle to a Scrap Iron Processor or Dismantler [form REG 462 (REV. 5/98)] from the public agency that ordered the removal of the vehicle.
- (b) When the names and addresses of the registered and legal owners are not available from the department or through the California Law Enforcement Telecommunications System, the lienholder may obtain the Public Agency Authorization to Dispose of a Vehicle to a Scrap Iron Processor or Dismantler [form REG 462 (REV. 5/98)] without waiting 15 days.
- (c) Prior to disposing of the vehicle, the lienholder shall complete the Public Agency Authorization to Dispose of a Vehicle to a Scrap Iron Processor or Dismantler [form REG 462 (REV. 5/98)] as follows:
 - (1) Enter the date the owners and interested parties were notified or if no record available, so note.
 - (2) Enter the name and address of the dismantler or scrap iron processor to whom the vehicle is being disposed.
 - (3) Enter the license number of the dismantler.
 - (4) Sign and date the form to certify under penalty of perjury under the laws of the State of California that the information entered by the lienholder is true and correct.
- (d) When the lienholder disposes of the vehicle, the lienholder shall submit to the dismantler or scrap iron processor the following items:
 - (1) The original and one copy of the Public Agency Authorization to Dispose of a Vehicle to a Scrap Iron Processor or Dismantler [form REG 462 (REV. 5/98)] with the certified mail receipts attached;
 - (2) The Statement of Facts for Abandoned Vehicles Valued at \$300 or Less removed by a Public Agency CVC 22851.3; and,
 - (3) The department's or California Law Enforcement Telecommunications System's record of owners and interested parties or an indication that this information is not available, and the statement of facts indicating that the lienholder notified all owners and interested parties as indicated in the department's records.

NOTE: Authority cited: Vehicle Code Section 1651. Reference: Vehicle Code Section 22851.3.

§230.30. Continuation of Lien Sale Process Following Inability to Effect Service of Court Action.

- (a) Either of the following shall constitute an inability to serve the declarant with notice of court action:

- (1) Certified mail with return receipt requested sent to the address shown on the Declaration of Opposition is returned unclaimed within 31 days; or,
 - (2) A marshal, sheriff, or a process server, who is registered with the county clerk of the respective county pursuant to Business and Professions Code Section 22350, is unable to serve the declarant in person.
- (b) When the lienholder is unable to effect service on the declarant, the lienholder shall complete and submit to the department at the address shown on the form, an Application for Authorization to Continue Lien Sale After Unsuccessful Service [form REG 659 (REV. 1/99)]. The application shall include the following information:
 - (1) A description of the vehicle including:
 - (A) The license plate number of the vehicle.
 - (B) The vehicle identification number.
 - (C) The state in which the vehicle is registered.
 - (D) The make, year, and model type of the vehicle.
 - (E) The engine number, if the vehicle is a motorcycle.
 - (2) An indication of which sale process will be used based on the vehicle value.
 - (3) The name and address where court service was attempted.
 - (4) An indication of the type of service attempted, either by certified mail or in person.
 - (5) A certification signed and dated by the lienholder or the lienholder's agent under penalty of perjury under the laws of the State of California that the information entered on the application is true and correct.
 - (6) When a company signature is used, it shall be countersigned or initialed by an authorized representative of the company.
 - (7) The name, address, and telephone number of the lienholder.
 - (8) The name, address, and telephone number of the agent acting for the lienholder, if applicable.
 - (9) The registration service number of the agent if the agent is a registration service as defined in Vehicle Code Section 505.2.
- (c) A copy of the court documents that indicate service was attempted in person or unopened certified mail.

NOTE: Authority cited: Vehicle Code Section 1651; Civil Code Section 3072. Reference: Vehicle Code Sections 22851.4 and 22851.8; Civil Code Section 3072; and Business and Professions Code Section 21702.5.